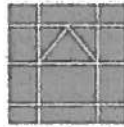


HOUSING



NETWORK

April 13, 2021

The Honorable Marvin Abney
Chair, House Committee on Finance
Rhode Island State House
Providence, RI 02903

Re: Support for Budget Article 16

Dear Chairman Abney and Members of the House Committee on Finance:

The Housing Network of Rhode Island (HNRI) is writing today **in strong support of Budget Article 16.**

The Housing Network of Rhode Island is the State's membership association of 17 nonprofit community development agencies across Rhode Island who contribute to the sustainability of our local and regional economy. We also serve as the backbone organization for Homes RI, a coalition of organizations working together to increase and preserve the supply of safe, healthy, and affordable homes throughout Rhode Island.

Budget Article 16 would establish a dedicated funding stream to increase the supply of safe, and healthy, and affordable homes. **The creation of a dedicated funding stream for affordable housing production and redevelopment is an essential component necessary for Rhode Island to make progress on its statewide housing goals.**

Rhode Island has not kept up with producing an adequate supply of affordable homes. Residential building permits have decreased over the last 20 years; in fact, annual permits dropped by half between 2005 and 2018. An estimated 500 plus homes are lost each year to demolition or deterioration, and we are not building diverse types of residences to meet changing demographic needs, such as our growing elder population, young workers, families, or homes for seniors and people with disabilities that require accessible accommodations.

Funding from previous housing bonds has been vital to creating and preserving additional long-term affordable homes and we are excited about the passage of Rhode Island's latest housing bond this month, but these funds are temporary. **An additional, dedicated source of funding is necessary to produce housing on the scale needed in Rhode Island.** The proposed method to generate this new revenue is a sound pathway to achieving this goal. Rhode Island is the only state in the Northeast (including NJ, NY, and PA) without a dedicated funding stream that supports housing production.

As we express our support for the establishment of a dedicated and predictable funding stream for housing, **we are hopeful that the Administration and General Assembly will consider the urgency and importance of targeting funds to low and moderate-income households for creation and preservation of long-term affordable homes.** Investments directed to low-income households ensure that funds are going where there is the most urgent need, as over 70% of low-income households are cost burdened. It also allocates funding to where there is the greatest potential for impact and return on investment, including cost-savings related to healthcare, and economic stability for workers and employers alike.

We are pleased to see that Budget Article 16 includes resources for expanding and restructuring the Housing Resources Commission and the role of Executive Director of the HRC / Deputy Secretary of Housing and Homelessness. We encourage and support continued dialogue with stakeholders on the restructuring of the HRC and will continue to advocate for the inclusion of various constituencies on the Commission.

I am more than happy to answer any questions and can be reached at mlodge@housingnetworkri.org or (401) 721-5680 x 38.

Sincerely,

A handwritten signature in black ink, reading "Melina Lodge". The signature is fluid and cursive, with the first name "Melina" written in a larger, more prominent script than the last name "Lodge".

Melina Lodge
Executive Director, Housing Network of Rhode Island